

The Honorable Karen A. Overstreet
Chapter 11
Hearing Location: 700 Stewart St., Rm. 7206
Hearing Date: April 9, 2010
Hearing Time: 9:30 a.m.

**UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF WASHINGTON
AT SEATTLE**

In re

QL2 SOFTWARE, INC.
316 Occidental Ave. S, Ste. 410
Seattle, WA 98104

Debtor.

Case No. 10-10209

DECLARATION OF DIANA K. CAREY IN
RESPONSE TO TUMELSONS' APPLICATIONS
FOR 2004 EXAMINATIONS

I, Diana K. Carey, make the following declaration under penalty of perjury under the laws of the State of Washington and the United States of America:

1. I am a shareholder at Karr Tuttle Campbell, which firm represents QL2 Software, Inc., ("QL2"), which filed a voluntary petition under Chapter 11 (the "Bankruptcy Case") of the United States Bankruptcy Code in the United States Bankruptcy Court for the Western District of Washington at Seattle ("Court") on January 11, 2010.

2. This Declaration is submitted in response to the Tumelsons' Applications for 2004 examinations of both QL2 and Graham and Dunn, in which they state: "...Debtor should not be allowed to assert the attorney client privilege at this point, given the statements made in paragraph six of Mr. Aldrich's February 26, 2010 declaration [Dkt. #108], wherein he describes his communications with Graham & Dunn, including the advice received by QL2 relating to the Tumelsons' case."

1 3. The comment the Tumelsons refer to is: "Several unforeseen things, however, happened
2 at the end of 2008: . . and (c) QL2 underestimated the severity of the lawsuits facing the company
3 (Visual I/O and Tumelsons). **We were previously advised by counsel** that neither of these lawsuits
4 was of serious concern; this proved not to be the case, as Visual I/O was subsequently able to garnish
5 precious company funds, and, as the court and parties are aware, the Tumelson litigation escalated."
6 (emphasis added)
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8 4. As confirmed in the email exchange between me and Mr. Aldrich, the "counsel" Mr.
9 Aldrich was referring to was then in-house counsel Scott Milburn. A copy of that exchange is attached
10 as Exhibit 1.
11

12 I certify under penalty of perjury under the laws of the State of Washington that the foregoing is
13 true and correct.

14 EXECUTED this 8th day of April 2010.

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17 Diana K. Carey, WSBA # 16239
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